



INDEPENDENT COMPUTER MAINTENANCE LLC

SALES • COMMUNICATIONS • CONSULTING • VOICE & DATA SOLUTIONS

www.icmcorporation.com

DOCKET FILE COPY ORIGINAL

By Overnight Delivery and First Class Mail

May 12, 2009

Letter of Appeal
Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, DC 20554

Received & Inspected

MAY 18 2009

FCC Mail Room

NOTICE OF APPEAL AND REQUEST FOR REVIEW

Re: APPEAL OF USAC DEMAND PAYMENT LETTER – FUNDING YEAR 2002-2003 DATED MARCH 19, 2009
CC DOCKET NO: 02-6 and CC DOCKET NO.
FUNDING YEAR: 2002-2003
SPIN: 143026575
FORM 471 APPLICATION NUMBER: 316671
APPLICANT NAME: Horizon School
APPLICANT CONTACT: Alan Mucatel
BILLED ENTITY NAME: Horizon School
BILLED ENTITY NUMBER: 228848
FUNDING REQUEST NUMBERS: 835145, 835157, 835170
BILLED ENTITY & APPLICANT CONTACT PHONE (973) 763-9900 ext 200
SERVICE PROVIDER: Independent Computer Maintenance, LLC
SERVICE PROVIDER IDENTIFICATION NO.: 143026575
SERVICE PROVIDER CONTACT PERSON: Anthony Natoli
SERVICE PROVIDER CONTACT PHONE NO.: (973) 916-1800
SERVICE PROVIDER FAX NO.: (973) 916-1986
SERVICE PROVIDER E-MAIL: TONYN@ICM CORPORATION.COM

Enclosure A: Copy of Demand Payment Letter Funding Year 2002: 7/01/2002 - 6/30/2003 to Independent Computer Maintenance, LLC dated March 19, 2009.

Enclosure B: Copy of Horizon School's request for SPIN changes and copies of e-mails from the School and Library Division Client Operations to ICM dated May 15, 2003 granting the requested SPIN change.

Enclosure C: A copy of Demand Payment Letter dated August 29, 2008 to Horizon School (with a copy to ICM).

Enclosure D: Copy of ICM letter to USAC dated April 21, 2009.

No. of Copies rec'd _____
List ABCDE _____

Since 1985

37 ROUTE 46 EAST, SUITE C-102 • CLIFTON, NJ 07013 • TEL 973-916-1800 • FAX 973-916-1986

Letter of Appeal
Federal Communications Commission
Office of the Secretary
May 12, 2009
Page 2 of 8

Gentlemen:

Please accept this letter and its enclosures as Independent Computer Maintenance, LLC's ("ICM") appeal of the Schools and Libraries Division ("SDL") of the Universal Service Administrative Company ("USAC") Demand Payment Letter – Funding Year 2002-2003 dated March 19, 2009 ("DPL") and the revised copies of Funding Commitment Adjustment Reports ("FCARs") or the Funding Disbursement Reports ("FDRs") attached thereto.¹ A copy of the DPL and the attachments are annexed hereto as Enclosure A. Said DPL advised that the purpose of the DPL was to notify ICM of the "exact amount of recovery being directed towards" ICM and to give ICM "an opportunity to appeal the USAC's determination that recovery should be directed towards" ICM; with respect to the three Funding Disbursement Reports ("FDRs") attached to the DPL. These FDRs addressed Horizon School's ("Horizon") Application Number 316671 and Funding Request Numbers 835145, 835157 and 835170 (hereinafter "FRNs") issued pursuant thereto. These FDRs adjusted the funding commitments to \$0.00 for all three FRNs. ICM appeals these FDRs reducing the Adjusted Funding Commitments to \$0 and the determination made therein by USAC "that the service provider is responsible for this rule violation; if any funds were disbursed, USAC will seek recovery of the improperly disbursed funds from the service provider." ICM is appealing: 1) the USAC's determination to proceed against ICM to recover any funds whose disbursement was allegedly to be illegal; 2) the findings set forth in the FDRs that any disbursements were improper or illegal; and 3) the reduction of funding commitment for the FRNs to \$0.

FACTS

Upon information and belief, Horizon filed the Form 470 and related technology plan with respect to the above referenced Application Number on or about December 19, 2001 and subsequent thereto the FRNs were issued. ICM did not become involved with the FRNs until March 13, 2003, when pursuant to SPIN change requests of the Applicant, Horizon School, ICM was proposed as the new service provider replacing Diversified Computer Solutions, Inc. ("DCS"). A copy of Horizon's request for SPIN changes along with copies of e-mails from the SLD Client Operations to ICM dated May 15, 2003 granting the aforesaid requested SPIN changes, are annexed hereto as Enclosure B.

Subsequent to the granting of the SPIN changes by USAC, ICM rendered the equipment, services and other efforts needed to successfully fulfill all the requirements of the FRNs.

¹ The documents attached to the DPL are entitled "Funding Disbursement Reports" although the DPL refers to "A revised copy" of the "Funding Commitment Adjustment Report" as being the attachment. Although it is confusing ICM assumes for the purposes of this appeal that USAC is using these terms interchangeably.

Letter of Appeal
Federal Communications Commission
Office of the Secretary
May 12, 2009
Page 3 of 8

On March 16, 2004, the USAC issued a Commitment Adjustment Letter concerning the FRNs seeking to "rescind in full" the FRNs, since the USAC found that there was an indication that "the vendor (ICM) was improperly involved in the competitive bidding process" because "SLD found similarities in Forms 470 and technology plans among the applicants associated with the vendor." On May 12, 2004, ICM filed an appeal of that Commitment Adjustment Letter to the USAC. By Administrator's Decision on Appeal - Funding Year 2002-2003 for Horizon School dated October 12, 2004, the USAC denied in full ICM's appeal. On December 8, 2004, ICM filed an appeal to the FCC of that Administrator's Decision Letter on Appeal.

On May 2, 2006, the FCC adopted in Proceeding Number FCC-06-55, (released May 19, 2006) an Order under CC Docket No. 02-6, granting the appeal of ICM (with respect to a number of applications including Application 316671 relating to the above FRNs) and 29 other entities. This Order found that the "USAC denied the requests for funding without sufficiently determining that the service providers improperly participated in the applicant's bidding process." (Page 3 ¶6 of the Order). It further ordered the USAC to "Complete its review of each remanded application (and issue an award or a denial based on a complete review and analysis) listed in the Appendix no later than 120 days from the release of this Order." (Page 4 ¶7 of the Order). Application 316671 which contained the FRNs was listed in the Appendix. (See page 7). The USAC neither obtained an extension of the deadline in the Order, nor did it issued an award or denial of Application 316671 or the FRNs issued pursuant thereto within the FCC ordered 120 day period.

By a Demand Payment Letter dated August 29, 2008 to Horizon (with a copy to ICM), the USAC in the Funding Commitment Adjustment Reports (FCARs) attached to that letter found with respect to the FRNs that "the applicant has violated this requirement" and that the "USAC will seek recovery of any disbursed funds from the applicant". (emphasis added). A Copy of that Demand Payment Letter is annexed hereto as Enclosure C.

On March 19, 2009, the USAC issued the DPL and the attached FDRs which are the subject matter of this appeal. By letter dated April 21, 2009, ICM responded to the DPL by advising the USAC that it could not respond to the DPL because ICM lacked documents that the USAC was basing its demand upon and further that the DPL was inconsistent with prior positions taken by the USAC. ICM further requested that USAC rescind and cancel the DPL and if it did not do so ICM would file this appeal to the FCC. A copy of ICM's letter is annexed hereto as Exhibit D. ICM has not received a response to its letter but did receive a "Demand Payment Letter SECOND REQUEST" dated April 20, 2009 from the USAC.

ARGUMENTS

1. If there was any wrong doing or impropriety in the competitive bidding process with respect to the FRNs and Application 316671, ICM had no involvement in that process or application and therefore pursuant to the decision of the FCC and the rule of law, any recover, if justified, must be the responsibility of the Applicant, Horizon, and any other third persons involved in the Application or competitive bid process, but clearly not the responsibility of ICM, who was just an innocent service provider. The DPL makes it clear that notwithstanding ICM's innocence and lack of participation in the bid process USAC intends to hold ICM liable for any recovery, which is a violation of law, equity and the FCC's prior Decisions.

As set forth in the facts above, ICM had no contact with the Applicant, Horizon, at the time the Form 470 and technology plan were filed by Horizon on December 19, 2001. ICM did not become involved with the FRNs until March 13, 2003, when pursuant to SPIN change requests of the Applicant, Horizon, ICM was proposed as the new service provider replacing DCS. It is irrefutable that since ICM had no association with the Applicant until after March, 2003, well after the Application was filed (December, 2001) and any questionable acts relating thereto, if any, were committed, it could not have been "improperly involved in the competitive bidding process". To insinuate or allege that ICM had any connection with any such misconduct is totally baseless. On these irrefutable facts alone no recovery should be sought (directly or indirectly) against ICM because it was and is an innocent party. To make ICM vicariously liable is equally absurd and baseless as neither DCS nor Horizon was acting at ICM's direction.

The FCC in *In re Federal-State Joint Board on Universal Service*, 19 FCC Rcd 15252 (adopted July 23, 2004) issued a ruling directly on point concerning which party the USAC was to seek recovery from. In that decision the FCC in response to petitions by various providers, directed the USAC to re-direct its efforts to recover any funds that had been allegedly distributed unlawfully from the providers to the party or parties who have committed the statutory or rule violation in question.

The FCC stated with respect to the "party or parties who have committed the statutory or rule violation" that: "We do so recognizing that in many instances, this will likely be the school or library, rather than the service provider." (Emphasis added). *In re Federal-State*, 19FCC Rcd at par. 10.

In reaching this conclusion, the FCC noted that: "The school or library is the entity that undertakes the various necessary steps in the application process, and receives the direct benefit of any services rendered. The school or library submits to USAC a completed FCC Form 470, setting forth its technological needs and the services for which it seeks discounts. The school or library is required to comply with the Commission's competitive bidding requirements as set forth in Sections 54.504 and 54.511(a) of our rules and related orders. The school or the library is the entity that submits FCC Form 471, notifying the Administrator of the services that have been ordered, the service providers with whom it has entered into agreements, and an estimate of the funds needed to cover the discounts to be provided on eligible services." *id.* At par. 11.

Letter of Appeal
Federal Communications Commission
Office of the Secretary
May 12, 2009
Page 5 of 8

The Commission in that Order also stated that although the service providers also have to follow the rules and regulations, those are with regard to "the supported service, and as such, must provide the services approved for funding within the relevant funding year. The service provider is required under our rules to provide beneficiaries a choice of payment method, and, when the beneficiary has made full payment for the services, to remit discount amounts to the beneficiary within twenty days of receipt of the reimbursement check. But in many situations, the service provider simply is not in a position to ensure that all applicable statutory and regulatory requirements have been met. Indeed, in many instances, a service provider may well be totally unaware of any violation. In such cases, we are convinced that it is both unrealistic and inequitable to seek recovery solely from the service provider." (Emphasis added). *id.* at par. 11.

The USAC in the DPL recognizes that this FCC Order applies to this matter and confirms that in determining to whom recovery should be directed the USAC should "consider which party was in a better position to prevent the statutory or rule violation, and which party committed the act of omission that forms the basis for the statutory or rule violation." Utilizing this test, there is no doubt that the USAC should proceed against Horizon and any other culpable third parties and not ICM, who was and is an innocent service provider that had nothing to do with any actual or perceived statutory or rule violation.

Finally, with respect to the applicability of the *In re Federal-State* decision to other cases, the FCC stated that: "[t]his revised recovery approach shall apply on a going forward basis to all matters for which the USAC has not yet issued a demand letter as of the effective date of this order, and to all recovery actions currently under appeal to either USAC or this agency." (Emphasis added) *id.* at par. 10.

Applying the FCC mandates of *In re Federal-State* to the case at hand, it is clear that ICM had absolutely nothing to do with the original application or competitive bidding process and, as such, it is merely a service provider that needs to uphold the provider's obligations as delineated above by the FCC. It was Horizon who was the Applicant and who obtained these grants and, therefore, was the entity that needed to comply with all the rules and regulations concerning the application and the competitive bid process and, as such, it is that school to whom the Schools and Library Division must look to recover any funding, if any, that may have been granted in violation of any statute, regulation or rule. Based upon the *In re Federal-State* decision, there is no room for doubt that the FCC has directed that the USAC must proceed against culpable applicant, Horizon (and any other culpable third parties, if any) and not the innocent service provider, ICM. To do otherwise is a violation of law, equity and the FCC's Decisions.

Letter of Appeal
Federal Communications Commission
Office of the Secretary
May 12, 2009
Page 6 of 8

2. All Demand Payment Letters and Related Funding Disbursement Reports issued by USAC with respect to Application 316671 and the FRNs subsequent to May 2, 2006 when the FCC in Proceeding FCC-06-05 adopted an Order under CC Docket No. 02-6 are invalid because the USAC failed to comply with the requirements of that Order.

As set forth in the Fact section above, the FCC on May 2, 2006 adopted in Proceeding FCC-06-05, (released May 19, 2006) an Order under CC Docket No. 02-6, granting the appeal of ICM (with respect to a number of applications including Application 316671 relating to FRNs); finding that the "USAC denied the requests for funding without sufficiently determining that the service providers improperly participated in the applicant's bidding process." (Page 3 ¶6 of the Order). It further ordered the USAC to "Complete its review of each remanded application (and issue an award or a denial based on a complete review and analysis) listed in the Appendix no later than 120 days from the release of this Order." (Page 4 ¶7 of the Order). Application 316671, which relates to the FRNs, was listed in the Appendix. (See page 7). The 120 day FCC ordered deadline expired without the USAC either obtaining an extension or issuing an award or denial of Application 316671 and its related FRNs as required by the Order. At this late date the USAC is barred by the terms of the FCC Order and estoppel from raising any alleged "improper" procurement issues concerning Application 316671 or the related FRNs.

3. The DPL is unenforceable as a matter of law since it is based on documents never received by ICM and contains statements and positions that are inconsistent with prior USAC decisions and positions, which ICM has relied upon.

The last two paragraphs of each of the three FDRs attached to the DPL contain the identical statements:

"However, pursuant to the applicant's request of 06/12/ 2006 during the Appeals review, your funding commitment for FRN (835145, 835157, 835170 respectively) has been cancelled in its entirety as of 09/22/2006 of the Appeal Decision Letter. Since the FCC rules require that USAC recover funds that were disbursed over the commitment, USAC will seek recovery of any disbursed funds from the applicant.

As a result of a recent appeal decision letter on 03/06/2009, the applicant's appeal has been approved, but funding denied. USAC has determined that the service provider is responsible for this rule violation; if any funds were disbursed, USAC will seek recovery of the improperly disbursed funds from the service provider."

ICM has never received a copy of the "09/22/2006.....Decision Letter" or the "recent appeal decision letter on 03/06/2009" or any of the documents leading to either of those two decision letters. Furthermore, the penultimate paragraph states that the USAC will seek recovery from the "applicant" while the final paragraph advises that USAC will seek recovery from the "service provider". The two paragraphs on their face are contradictory and ambiguous.

Letter of Appeal
Federal Communications Commission
Office of the Secretary
May 12, 2009
Page 7 of 8

Additionally, in the last paragraphs of each of the three FDRs attached to the Demand Payment Letter issued to Horizon on August 29, 2008 (which was copied to ICM), the USAC stated unequivocally that the "USAC will seek recovery of any disbursed funds from the applicant" (emphasis added). The USAC's position in the DPL is diametrically opposite the position it took in the August 29, 2008 letter and for that reason alone the DPL is ambiguous and unenforceable as a matter of law.

4. The DPL is unenforceable as a matter of law since the USAC's procrastination and delays in prosecuting any alleged violations has taken it well past any applicable State of Limitations.

CONCLUSIONS

For the reasons set forth above, the FCC should grant this appeal and make a determination that:

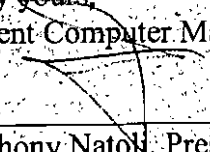
1. In the event there was any improper actions with respect to Application 316671 and the associated FRNs, such actions were those of Horizon and other third parties and it is those parties to which USAC should direct its recovery efforts and not against ICM which was and is an innocent service provider; and
2. All actions by the USAC to deny or reduce funding with respect to Application 316671 and the associated FRNs subsequent to May 2, 2006 when the FCC in Proceeding FCC-06-05 adopted an Order under CC Docket No. 02-6 are invalid because the USAC failed to comply with the requirements and provisions of that Order; and
3. The DPL is unenforceable as a matter of law since it is based on documents never received by ICM and contains statements and positions that are inconsistent with prior USAC decisions and positions, which ICM has relied upon.
4. The DPL is unenforceable as a matter of law since the USAC's procrastination and delays in prosecuting any alleged violations has taken it well past any applicable State of Limitations.

If you have any further questions concerning this matter, please contact the undersigned or our Counsel, Gary Marcus of the law firm, Gary Marcus, Attorney at Law, P.C. 600 Old Country Road, Garden City, NY 11530. (516) 301-7776.

Letter of Appeal
Federal Communications Commission
Office of the Secretary
May 12, 2009
Page 8 of 8

Thank you for giving this your immediate attention.

Very truly yours,
Independent Computer Maintenance, LLC

By 
Anthony Natoli, President

cc: Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, MD 20743

Enclosure

A



Universal Service Administrative Company
Schools & Libraries Division

Demand Payment Letter
Funding Year 2002: 7/01/2002 - 6/30/2003

March 19, 2009

Anthony Natoli
Independent Computer Maintenance, LLC
1037 Route 46 East
Clifton, NJ 07013

Re: SPIN: 143026575
Form 471 Application Number: 316671
Funding Year: 2002
FCC Registration Number:
Applicant Name: HORIZON SCHOOL
Billed Entity Number: 228848
Applicant Contact Person: ALAN MUCATEL

You were previously sent a Commitment Adjustment Letter (CAL) informing you of the need to recover funds for the Funding Request Number(s) (FRNs) listed on the Funding Commitment Adjustment Report (Report) attached to the CAL. A revised copy of that Report is attached to this letter. Immediately preceding the Report, you will find a guide that defines each line of the Report.

In the Order on Reconsideration and Fourth Report and Order (FCC 04-181, rel. July 30, 2004) (Fourth Report and Order), the FCC "conclude[d] that recovery actions should be directed to the party or parties that committed the rule or statutory violation in question." The FCC also directed the Universal Service Administrative Company (USAC) to determine to whom recovery should be directed in individual cases. In making such a determination USAC must "consider which party was in a better position to prevent the statutory or rule violation, and which party committed the act or omission that forms the basis for the statutory or rule violation."

Pursuant to the Fourth Report and Order the revised recovery approach applies to all FRNs for which USAC had not yet issued a first Demand Payment Letter as of September 17, 2004 (the effective date of the Order). The purpose of this letter is to:

- Notify you of the exact amount of recovery being directed towards you.
- Give you an opportunity to appeal USAC's determination that recovery should be directed towards you. Please note that the deadline for appealing the decision to adjust the commitment is determined by the date of the CAL and not this letter.

- Demand payment of the funds and give you instructions for repaying the funds.

The balance of this debt is due within 30 days from the date of this letter. Failure to pay the debt within 30 days from the date of this letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." Please see the "Informational Notice to All Universal Service Fund Contributors, Beneficiaries, and Service Providers" at <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

If the Schools and Libraries Division (SLD) has determined that both the applicant and the service provider are responsible for a program rule violation, then, pursuant to the Fourth Report and Order, the SLD will seek recovery of the improperly disbursed amount from BOTH parties and will continue to seek recovery until either or both parties have fully paid the debt. If the SLD has determined that both the applicant and the service provider are responsible for a program rule violation, this is indicated in the Funding Commitment Adjustment Explanation in the Report following this letter.

If the SLD is attempting to collect all or part of the debt from both the applicant and the service provider, then you should work with the applicant to determine who will be repaying the debt and to avoid duplicate payment. Please note, however, that the debt is the responsibility of both the applicant and service provider. Therefore, you are responsible for ensuring that the debt is paid in a timely manner.

Please remit payment for the full Funds to be Recovered from Service Provider amount shown in the attached Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. Make your check payable to the Universal Service Administrative Company (USAC).

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express, and UPS) please send check payments to:

Universal Service Administrative Company
1259 Paysphere Circle
Chicago, IL 60674

If you are located in the Chicago area and use a local messenger rather than a major courier service, please address and deliver the package to:

Universal Service Administrative Company
Lockbox 1259
540 West Madison 4th Floor
Chicago, IL 60661

Local messenger service should deliver to the Lockbox Receiving Window at the above

Payment is due within 30 days from the date of this letter.

Complete program information is posted to the SLD section of the USAC web site at www.universalservice.org/sl/. You may also contact the SLD Technical Client Service Bureau by e-mail using the "Submit a Question" link on the SLD web site, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

TO APPEAL THIS DECISION:

If you wish to appeal the decision, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Demand Payment Letter and the FRN(s) you are appealing. Your letter of appeal must include the Billed Entity Name, the Form 471 Application Number, Billed Entity Number, and FCC Registration Number from the top of your letter.
3. When explaining your appeal, copy the language or text from the Demand Payment Letter that is the subject of your appeal to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter specific and brief, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal

If you are submitting your appeal electronically, please send your appeal to appeals@sl.universalservice.org using your organization's e-mail. If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Dept. 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Appeals Area of the SLD section of the USAC web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic appeals options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC web site, or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options

Schools and Libraries Division
Universal Services Administrative Company

cc: ALAN MUCATEL
HORIZON SCHOOL

A GUIDE TO THE FUNDING COMMITMENT ADJUSTMENT REPORT

Attached to this letter will be a report for each funding request from your application for which a commitment adjustment is required. We are providing the following definitions.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each individual request in your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.

CONTRACT NUMBER: The number of the contract between the applicant and the service provider. This will be present only if a contract number was provided on Form 471.

SERVICES ORDERED: The type of service ordered by applicant, as shown on Form 471.

BILLING ACCOUNT NUMBER: The account number that you have established with your customer for billing purposes. This will be present only if a Billing Account Number was provided on the Form 471.

ORIGINAL FUNDING COMMITMENT: This represents the original amount of funding that SLD had reserved to reimburse for the approved discounts for this service for this funding year.

COMMITMENT ADJUSTMENT AMOUNT: This represents the amount of funding that SLD has rescinded because of program rule violations.

ADJUSTED FUNDING COMMITMENT: This represents the adjusted total amount of funding that SLD has reserved to reimburse for the approved discounts for this service for this funding year. If this amount exceeds the Funds Disbursed to Date, the SLD will continue to process properly filed invoices up to the new commitment amount.

FUNDS DISBURSED TO DATE: This represents the total funds that have been disbursed for this FRN as of the date of this letter.

FUNDS TO BE RECOVERED FROM SERVICE PROVIDER: This represents the amount of improperly disbursed funds to date for which the service provider has been determined to be primarily responsible. These improperly disbursed funds will have to be recovered from the service provider.

FUNDING COMMITMENT ADJUSTMENT EXPLANATION: This entry provides an explanation of the reason the adjustment was made.

Funding Disbursement Report
Form 471 Application Number: 316671

Funding Request Number:	835145
Contract Number:	10760
Services Ordered:	INTERNAL CONNECTIONS
Billing Account Number:	
Original Funding Commitment:	\$34,344.00
Commitment Adjustment Amount:	\$34,344.00
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date:	\$34,344.00
Funds to be Recovered from Service Provider:	\$34,344.00

Funding Commitment Adjustment Explanation:

On 3/16/2004 a letter was sent to the service provider, Independent Computer Maintenance, LLC, and the applicant, Horizon School, advising them of a commitment adjustment and a recovery of funds for this Funding Request Number.

Please see the following paragraph for the violation and original decision:

"After a thorough review, it has been determined that this funding request must be rescinded in full. SLD found similarities in Forms 470 and technology plans among applicants associated with this vendor. This indicates that the vendor was improperly involved in the competitive bidding process. As a result the commitment amount is rescinded in full."

FCC rules require applicants to submit a Form 470 to initiate the competitive bidding process, and to conduct a fair and open process. If the applicant has posted a Form 470 that improperly involved the service provider that participates in the competitive bidding process, the applicant has violated this requirement, and FCC rules consider this Form 470 to be tainted. All Funding Requests that relate to this Form 470 are required to be denied because the Form 470 is tainted. Accordingly, the commitment has been rescinded in full and the SLD will seek recovery of any disbursed funds.

However, pursuant to the applicant's request of 06/12/2006 during the Appeals review, your funding commitment for FRN 835145 has been cancelled in its entirety as of 09/22/2006 of the Appeal Decision Letter. Since the FCC rules require that USAC recover funds that were disbursed over the commitment, USAC will seek recovery of any disbursed funds from the applicant.

As a result of a recent appeal decision letter on 03/06/2009, the applicant's appeal has been approved, but funding denied. USAC has determined that the service provider is responsible for this rule violation; if any funds were disbursed, USAC will seek recovery of the improperly disbursed funds from the service provider.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING**

Funding Request Number:	835157
Contract Number:	10761
Services Ordered:	INTERNAL CONNECTIONS
Billing Account Number:	
Original Funding Commitment:	\$138,330.00
Commitment Adjustment Amount:	\$138,330.00
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date:	\$130,500.00
Funds to be Recovered from Service Provider:	\$130,500.00
Funding Commitment Adjustment Explanation:	

On 3/16/2004 a letter was sent to the service provider, Independent Computer Maintenance, LLC, and the applicant, Horizon School, advising them of a commitment adjustment and a recovery of funds for this Funding Request Number.

Please see the following paragraph for the violation and original decision:

"After a thorough review, it has been determined that this funding request must be rescinded in full. SLD found similarities in Forms 470 and technology plans among applicants associated with this vendor. This indicates that the vendor was improperly involved in the competitive bidding process. As a result the commitment amount is rescinded in full."

FCC rules require applicants to submit a Form 470 to initiate the competitive bidding process, and to conduct a fair and open process. If the applicant has posted a Form 470 that improperly involved the service provider that participates in the competitive bidding process, the applicant has violated this requirement, and FCC rules consider this Form 470 to be tainted. All Funding Requests that relate to this Form 470 are required to be denied because the Form 470 is tainted. Accordingly, the commitment has been rescinded in full and the SLD will seek recovery of any disbursed funds.

However, pursuant to the applicant's request of 06/12/2006 during the Appeals review, your funding commitment for FRN 835157 has been cancelled in its entirety as of 09/22/2006 of the Appeal Decision Letter. Since the FCC rules require that USAC recover funds that were disbursed over the commitment, USAC will seek recovery of any disbursed funds from the applicant.

As a result of a recent appeal decision letter on 03/06/2009, the applicant's appeal has been approved, but funding denied. USAC has determined that the service provider is responsible for this rule violation; if any funds were disbursed, USAC will seek recovery of the improperly disbursed funds from the service provider.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING**

Funding Request Number:	835170
Contract Number:	10762
Services Ordered:	INTERNAL CONNECTIONS
Billing Account Number:	
Original Funding Commitment:	\$107,625.51
Commitment Adjustment Amount:	\$107,625.51
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date:	\$101,533.50
Funds to be Recovered from Service Provider:	\$101,533.50
Funding Commitment Adjustment Explanation:	

On 3/16/2004 a letter was sent to the service provider, Independent Computer Maintenance, LLC, and the applicant, Horizon School, advising them of a commitment adjustment and a recovery of funds for this Funding Request Number.

Please see the following paragraph for the violation and original decision:

"After a thorough review, it has been determined that this funding request must be rescinded in full. SLD found similarities in Forms 470 and technology plans among applicants associated with this vendor. This indicates that the vendor was improperly involved in the competitive bidding process. As a result the commitment amount is rescinded in full."

FCC rules require applicants to submit a Form 470 to initiate the competitive bidding process, and to conduct a fair and open process. If the applicant has posted a Form 470 that improperly involved the service provider that participates in the competitive bidding process, the applicant has violated this requirement, and FCC rules consider this Form 470 to be tainted. All Funding Requests that relate to this Form 470 are required to be denied because the Form 470 is tainted. Accordingly, the commitment has been rescinded in full and the SLD will seek recovery of any disbursed funds.

However, pursuant to the applicant's request of 06/12/2006 during the Appeals review, your funding commitment for FRN 835170 has been cancelled in its entirety as of 09/22/2006 of the Appeal Decision Letter. Since the FCC rules require that USAC recover funds that were disbursed over the commitment, USAC will seek recovery of any disbursed funds from the applicant.

As a result of a recent appeal decision letter on 03/06/2009, the applicant's appeal has been approved, but funding denied. USAC has determined that the service provider is responsible for this rule violation; if any funds were disbursed, USAC will seek recovery of the improperly disbursed funds from the service provider.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING**

Enclosure

B



CEREBRAL PALSY OF NORTH JERSEY

515 Valley Street Mapewood, New Jersey 07040 (973) 763-9900

Fax (973) 763-9905
website: www.cpnj.org

Serving People With Disabilities Throughout Northern New Jersey

March 13, 2003

We are requesting an operational SPIN change for the following:

Billed entity number: 228848
Applicant name: HORIZON SCHOOL
Funding request numbers: 835145, 835157, 835170
Form 471 application number: 316671
Applicant contact: Alan Macatel
Applicant Phone: (973) 763-9900 (ext. 200)
Applicant E-mail address: N/A
Original SPIN: 143024755
Original service provider: Diversified Computer Solutions, Inc.
Original service provider contact: Betty Gill
Original service provider phone: (973) 808-9339
Original service provider E-mail address: bgill@dcissupport.com
New SPIN: 143026575
New service provider: Independent Computer Maintenance, Inc.
New service provider contact: Anthony Natoli
New service provider phone: (973) 916-1800
New service provider E-mail address: tonyn@icmecorporation.com
Proposed effective date of the SPIN change: March 13, 2003

I certify that (1) all SPIN changes requested in this letter are allowed under all applicable state and local procurement rules, (2) the SPIN changes are allowable under the terms of the contract, if any, between the applicant and its original service provider, and (3) the applicant has notified its original service provider of its intent to change service providers.

Thank you for your attention to this matter.

Alan Macatel

Subj: Fw: E-Rate Program/Confirmation of SPIN Change/FRNs 835145 & 835157 & 835170
Date: 5/15/03 9:03:25 PM Eastern Daylight Time
From: TONYN@ICM CORPORATION.COM (sIMLAB)
To: tonyicm@aol.com

----- Original Message -----

From: "SLDClient Operations" <SLDClientOperations@sl.universalservice.org>
To: <TonyN@icmcorporation.com>
Sent: Thursday, May 15, 2003 3:26 PM
Subject: E-Rate Program/Confirmation of SPIN Change/FRNs 835145 & 835157 & 835170

A request to change/correct the Service Provider on the following Funding Request(s) (FRN) was granted.
As the new Service Provider, you will receive a Funding Commitment Decision Letter (FCDL). PLEASE NOTE: While this FCDL will contain more detailed information on the FRN(s) listed below, it will show the ORIGINAL COMMITMENT amount, rather than the amount that remains undisbursed for this FRN.
THIS E-MAIL IS FOR ADVISORY PURPOSES ONLY. REPLIES WILL NOT BE RECEIVED. IF YOU HAVE QUESTIONS REGARDING THE SUBJECT OF THIS ADVISORY E-MAIL, PLEASE CALL OUR CLIENT SERVICE BUREAU AT 1-888-203-8100.

Applicant:
HORIZON SCHOOL
51 OLD ROAD
LIVINGSTON, NJ 07039
Contact ALAN MUCATEL Phone: (973) 763-8900
Form 471 Application Number: 316671

Funding Request No. (FRN): 835145
New Service Provider: Independent Computer Maintenance, LLC
New SPIN: 143026575
Original Commitment Amount: \$34,344.00
Disbursement \$0.00
CAP Remaining: \$34,344.00
Date of 5/9/03
A Form 486 has been filed for this No.
This FRN includes Non-Recurring Yes

MAINT

Funding Request No. (FRN): 835157
New Service Provider: Independent Computer Maintenance, LLC
New SPIN: 143026575
Original Commitment Amount: \$138,330.00
Disbursement \$0.00
CAP Remaining: \$138,330.00
Date of 5/9/03
A Form 486 has been filed for this No.
This FRN includes Non-Recurring Yes

CABLE

Funding Request No. (FRN): 835170
New Service Provider: Independent Computer Maintenance, LLC
New SPIN: 143026575

Original Commitment Amount: \$107,625.51

Disbursement \$0.00

CAP Remaining: \$107,625.51

Date of 5/9/03

A Form 486 has been filed for this No

This FRN includes Non-Recurring Yes

Equip

Headers

Return-Path: <TONY@ICM CORPORATION.COM>

Received: from nly-xg02.mx.aol.com (nly-xg02.mail.aol.com [172.20.115.199]) by air-xg03.mail.aol.com (v93.12) with ESMTTP id MAILINXG33-7353ec438dd3a3; Thu, 15 May 2003 21:03:25 -0400

Received: from mta8.srv.hcvny.cv.net (mta8.srv.hcvny.cv.net [167.206.5.17]) by nly-xg02.mx.aol.com (v93.12) with ESMTTP id MAILRELAYINXG21-44d3ec438ba317; Thu, 15 May 2003 21:02:51 -0400

Received: from asv8.srv.hcvny.cv.net (asv8.srv.hcvny.cv.net [167.206.5.47])

by mta8.srv.hcvny.cv.net

((Planet Messaging Server 5.2 HotFix 1.14 (built Mar 18 2003))

with ESMTTP id <0HEY00JHFG86K1@mta8.srv.hcvny.cv.net> for tonylcm@aol.com

Thu, 15 May 2003 21:02:30 -0400 (EDT)

Received: from cable (601-4355aba0.dyn.optonline.net [67.85.171.224])

by asv8.srv.hcvny.cv.net (8.12.9/6.12.9) with SMTP id h4G11uHE003683 for

<tonylcm@aol.com>; Thu, 15 May 2003 21:01:57 -0400 (EDT)

Date: Thu, 15 May 2003 20:50:04 -0400

From: SIMLAB <TONY@ICM CORPORATION.COM>

Subject: Fw: E-Rate Program/Confirmation of SPIN Change/FRNs 835145 & 835157 & 835170

To: tonylcm@aol.com

Message-id: <002101c31b45\$1735c8b0\$056801a8c0@cable>

MIME-version: 1.0

X-MIMEOLE: Produced By: Microsoft MimeOLE V6.00.2600.0000

X-Mailer: Microsoft Outlook Express 6.00.2600.0000

Content-type: text/plain; charset=iso-8859-1

Content-transfer-encoding: 7BIT

X-Priority: 3

X-MSMail-priority: Normal

Enclosure C



Schools & Libraries Division

Demand Payment Letter
Funding Year 2002: 7/01/2002 - 6/30/2003

August 29, 2008

ALAN MUCATEL
HORIZON SCHOOL
515 VALLEY STREET
MAPLEWOOD, NJ 07040

Re: Form 471 Application Number: 316671
Funding Year: 2002
Applicant's Form Identifier: 471-1
Billed Entity Number: 228848
FCC Registration Number: 0000000000
SPIN Name: Independent Computer Maintenance, LLC
Service Provider Contact Person: Anthony Natoli

You were previously sent a Commitment Adjustment Letter (CAL) informing you of the need to recover funds for the Funding Request Number(s) (FRNs) listed on the Funding Commitment Adjustment Report (Report) attached to the CAL. A revised copy of that Report is attached to this letter. Immediately preceding the Report, you will find a guide that defines each line of the Report.

In the Order on Reconsideration and Fourth Report and Order (FCC 04-181, rel. July 30, 2004) (Fourth Report and Order), the FCC "conclude[d] that recovery actions should be directed to the party or parties that committed the rule or statutory violation in question." The FCC also directed the Universal Service Administrative Company (USAC) to determine to whom recovery should be directed in individual cases. In making such a determination USAC must "consider which party was in a better position to prevent the statutory or rule violation, and which party committed the act or omission that forms the basis for the statutory or rule violation."

Pursuant to the Fourth Report and Order the revised recovery approach applies to all FRNs for which USAC had not yet issued a first Demand Payment Letter as of September 17, 2004 (the effective date of the Order). The purpose of this letter is to:

- Notify you of the exact amount of recovery being directed towards you.
- Give you an opportunity to appeal USAC's determination that recovery should be directed towards you. Please note that the deadline for appealing the decision to adjust the commitment is determined by the date of the CAL and not this letter.

- Demand payment of the funds and give you instructions for repaying the funds.

The balance of this debt is due within 30 days from the date of this letter. Failure to pay the debt within 30 days from the date of this letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." Please see the "Informational Notice to All Universal Service Fund Contributors, Beneficiaries, and Service Providers" at <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

If the Schools and Libraries Division (SLD) has determined that both the applicant and the service provider are responsible for a program rule violation, then, pursuant to the Fourth Report and Order, the SLD will seek recovery of the improperly disbursed amount from BOTH parties and will continue to seek recovery until either or both parties have fully paid the debt. If the SLD has determined that both the applicant and the service provider are responsible for a program rule violation, this is indicated in the Funding Commitment Adjustment Explanation in the Report following this letter.

If the SLD is attempting to collect all or part of the debt from both the applicant and the service provider, then you should work with the service provider to determine who will be repaying the debt and to avoid duplicate payment. Please note, however, that the debt is the responsibility of both the applicant and service provider. Therefore, you are responsible for ensuring that the debt is paid in a timely manner.

Please remit payment for the full Funds to be Recovered from Applicant amount shown in the attached Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. Make your check payable to the Universal Service Administrative Company (USAC).

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express, and UPS) please send check payments to:

Universal Service Administrative Company
1259 Paysphere Circle
Chicago, IL 60674

If you are located in the Chicago area and use a local messenger rather than a major courier service, please address and deliver the package to:

Universal Service Administrative Company
Lockbox 1259
540 West Madison 4th Floor
Chicago, IL 60661

Local messenger service should deliver to the Lockbox Receiving Window at the above address.

Payment is due within 30 days from the date of this letter.

Complete program information is posted to the SLD section of the USAC web site at www.universalservice.org/sl/. You may also contact the SLD Technical Client Service Bureau by e-mail using the "Submit a Question" link on the SLD web site, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

TO APPEAL THIS DECISION:

If you wish to appeal the decision, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Demand Payment Letter and the FRN(s) you are appealing. Your letter of appeal must include the Billed Entity Name, the Form 471 Application Number, Billed Entity Number, and the FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Demand Payment Letter that is the subject of your appeal to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter specific and brief, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal electronically, please send your appeal to appeals@sl.universalservice.org using your organization's e-mail. If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Dept. 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Appeals Area of the SLD section of the USAC web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic appeals options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC web site, or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

Universal Services Administrative Company
Schools and Libraries Division

cc: Anthony Natoli
Independent Computer Maintenance, LLC

A GUIDE TO THE FUNDING COMMITMENT ADJUSTMENT REPORT

A report for each E-rate funding request from your application for which a commitment adjustment is required is attached to this letter. We are providing the following definitions for the items in that report.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each individual request in your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.

SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. A SPIN is also used to verify delivery of services and to arrange for payment.

SERVICE PROVIDER NAME: The legal name of the service provider.

CONTRACT NUMBER: The number of the contract between the applicant and the service provider. This will be present only if a contract number was provided on your Form 471.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on your Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a. This number will only be present for "site specific" FRNs.

ORIGINAL FUNDING COMMITMENT: This represents the original amount of funding that SLD had reserved to reimburse you for the approved discounts for this service for this funding year.

COMMITMENT ADJUSTMENT AMOUNT: This represents the amount of funding that SLD has rescinded because of program rule violations.

ADJUSTED FUNDING COMMITMENT: This represents the adjusted total amount of funding that SLD has reserved to reimburse for the approved discounts for this service for this funding year. If this amount exceeds the Funds Disbursed to Date, the SLD will continue to process properly filed invoices up to the new commitment amount.

FUNDS DISBURSED TO DATE: This represents the total funds that have been paid to the identified service provider for this FRN as of the date of this letter.

FUNDS TO BE RECOVERED FROM APPLICANT: This represents the amount of improperly disbursed funds to date as a result of rule violation(s) for which the applicant has been determined to be responsible. These improperly disbursed funds will have to be recovered from the applicant.

FUNDING COMMITMENT ADJUSTMENT EXPLANATION: This entry provides an explanation of the reason the adjustment was made.

Funding Commitment Adjustment Report
Form 471 Application Number: 316671

Funding Request Number:	835145
Services Ordered:	INTERNAL CONNECTIONS
SPIN:	143026575
Service Provider Name:	Independent Computer Maintenance, LLC
Contract Number:	10760
Billing Account Number:	
Site Identifier:	228848
Original Funding Commitment:	\$34,344.00
Commitment Adjustment Amount:	\$34,344.00
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date:	\$34,344.00
Funds to be Recovered from Applicant:	\$34,344.00

Funding Commitment Adjustment Explanation:

On 3/16/2004 a letter was sent to the service provider, Independent Computer Maintenance, LLC, advising them of a commitment adjustment and a recovery of funds for this Funding Request Number. Please see the following paragraph for the violation and original decision:

"After a thorough review, it has been determined that this funding request must be rescinded in full. SLD found similarities in Forms 470 and technology plans among applicants associated with this vendor. This indicates that the vendor was improperly involved in the competitive bidding process. As a result the commitment amount is rescinded in full."

FCC rules require applicants to submit a Form 470 to initiate the competitive bidding process, and to conduct a fair and open process. If the applicant has posted a Form 470 that improperly involved the service provider that participates in the competitive bidding process, the applicant has violated this requirement, and FCC rules consider this Form 470 to be tainted. All Funding Requests that relate to this Form 470 are required to be denied because the Form 470 is tainted. Accordingly, the commitment has been rescinded in full and the SLD will seek recovery of any disbursed funds.

However, pursuant to your request of 06/12/2006 during the Appeals review, your funding commitment for FFN 835145 has been cancelled in its entirety as of 09/22/2006 of the Appeal Decision Letter. Since the FCC rules require that the USAC recover funds that were disbursed over the commitment, USAC will seek recovery of any disbursed funds from the applicant.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING**

Funding Request Number: 835157
Services Ordered: INTERNAL CONNECTIONS
SPIN: 143026575
Service Provider Name: Independent Computer Maintenance, LLC
Contract Number: 10761
Billing Account Number:
Site Identifier: 228848
Original Funding Commitment: \$138,330.00
Commitment Adjustment Amount: \$138,330.00
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$130,500.00
Funds to be Recovered from Applicant: \$130,500.00
Funding Commitment Adjustment Explanation:

On 3/16/2004 a letter was sent to the service provider, Independent Computer Maintenance, LLC, advising them of a commitment adjustment and a recovery of funds for this Funding Request Number. Please see the following paragraph for the violation and original decision:

"After a thorough review, it has been determined that this funding request must be rescinded in full. SLD found similarities in Forms 470 and technology plans among applicants associated with this vendor. This indicates that the vendor was improperly involved in the competitive bidding process. As a result the commitment amount is rescinded in full."

FCC rules require applicants to submit a Form 470 to initiate the competitive bidding process, and to conduct a fair and open process. If the applicant has posted a Form 470 that improperly involved the service provider that participates in the competitive bidding process, the applicant has violated this requirement, and FCC rules consider this Form 470 to be tainted. All Funding Requests that relate to this Form 470 are required to be denied because the Form 470 is tainted. Accordingly, the commitment has been rescinded in full and the SLD will seek recovery of any disbursed funds.

However, pursuant to your request of 06/12/2006 during the Appeals review, your funding commitment for FRN 835157 has been cancelled in its entirety as of 09/22/2006 of the Appeal Decision Letter. Since the FCC rules require that the USAC recover funds that were disbursed over the commitment, USAC will seek recovery of any disbursed funds from the applicant.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING**

Funding Request Number: 835170
Services Ordered: INTERNAL CONNECTIONS
SPIN: 143026575
Service Provider Name: Independent Computer Maintenance, LLC
Contract Number: 10762
Billing Account Number:
Site Identifier: 228848
Original Funding Commitment: \$107,625.51
Commitment Adjustment Amount: \$107,625.51
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$101,533.50
Funds to be Recovered from Applicant: \$101,533.50
Funding Commitment Adjustment Explanation:

On 3/16/2004 a letter was sent to the service provider, Independent Computer Maintenance, LLC, advising them of a commitment adjustment and a recovery of funds for this Funding Request Number. Please see the following paragraph for the violation and original decision:

"After a thorough review, it has been determined that this funding request must be rescinded in full. SLD found similarities in Forms 470 and technology plans among applicants associated with this vendor. This indicates that the vendor was improperly involved in the competitive bidding process. As a result the commitment amount is rescinded in full."

FCC rules require applicants to submit a Form 470 to initiate the competitive bidding process, and to conduct a fair and open process. If the applicant has posted a Form 470 that improperly involved the service provider that participates in the competitive bidding process, the applicant has violated this requirement, and FCC rules consider this Form 470 to be tainted. All Funding Requests that relate to this Form 470 are required to be denied because the Form 470 is tainted. Accordingly, the commitment has been rescinded in full and the SLD will seek recovery of any disbursed funds.

However, pursuant to your request of 06/12/2006 during the Appeals review, your funding commitment for FRN 835170 has been cancelled in its entirety as of 09/22/2006 of the Appeal Decision Letter. Since the FCC rules require that the USAC recover funds that were disbursed over the commitment, USAC will seek recovery of any disbursed funds from the applicant.

**PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING**

Enclosure D



INDEPENDENT COMPUTER MAINTENANCE LLC

SALES • COMMUNICATIONS • CONSULTING • VOICE & DATA SOLUTIONS

ICM Stationary

www.icmcorporation.com

By Facsimile (973) 599-6542 and First Class Mail

April 21, 2009

The Universal Service Administrative Company
Schools and Libraries Division
Dept. 125 – Correspondence Unit
100 South Jefferson Road
Whippany, New Jersey 07981

Re: DEMAND PAYMENT LETTER DATED MARCH 19, 2009
FUNDING YEAR: 2002
SPIN: 143026575
FORM 471 APPLICATION NUMBER: 316671
APPLICANT NAME: Horizon School
APPLICANT CONTACT: Alan Mucatel
BILLED ENTITY NAME: Horizon School
BILLED ENTITY NUMBER: 228848
FUNDING REQUEST NUMBERS: 835145, 835157, 83170
BILLED ENTITY & APPLICANT CONTACT PHONE (973) 763-9900 ext 200
SERVICE PROVIDER: Independent Computer Maintenance, LLC
SERVICE PROVIDER IDENTIFICATION NO.: 143026575
SERVICE PROVIDER CONTACT PERSON: Anthony Natoli
SERVICE PROVIDER CONTACT PHONE NO.: (973) 916-1800
SERVICE PROVIDER FAX NO.: (973) 916-1986
SERVICE PROVIDER E-MAIL: TONYN@ICM CORPORATION.COM

Enclosure A: Copy of Demand Payment Letter Funding Year 2002: 7/01/2002 - 6/30/2003 to Independent Computer Maintenance, LLC dated March 19, 2009.

Enclosure B: Copy of Demand Payment Letter Funding Year 2002: 7/01/2002 - 6/30/2003 to Horizon School dated August 29, 2008.

Gentlemen:

Please be advised that Independent Computer Maintenance, LLC's ("ICM") is in receipt of your Demand Payment Letter Funding Year 2002: 7/01/2002 - 6/30/2003 dated March 19, 2009 ("Demand Payment Letter"). ICM has reviewed that Demand Payment Letter and can not adequately respond to it for the reasons set forth below. ICM hereby requests that USAC rescind and cancel that Demand Payment Letter. A copy of that Demand Payment Letter is annexed hereto as Enclosure A.

ICM can not respond to the Demand Payment Letter because:

1. The last two paragraphs of each of the three Funding Disbursement Reports attached to the Demand Payment Letter contain the identical statements:

Since 1985

The Universal Service Administrative Company
Schools and Libraries Division
April 21, 2009
Page 2 of 2

"However, pursuant to the applicant's request of 06/12/2006 during the Appeals review, your funding commitment for FRN (835145, 835157, 83170 respectively) has been cancelled in its entirety as of 09/22/2006 of the Appeal Decision Letter. Since the FCC rules require that USAC recover funds that were disbursed over the commitment, USAC will seek recovery of any disbursed funds from the applicant.

As a result of a recent appeal decision letter on 03/06/2009, the applicant's appeal has been approved, but funding denied. USAC has determined that the service provider is responsible for this rule violation; if any funds were disbursed, USAC will seek recovery of the improperly disbursed funds from the service provider."

ICM can not respond to these allegations because it has never received a copy of the 09/22/2006 Decision Letter or the "recent appeal decision letter on 03/06/2009" or any of the documents leading to either of those two decision letters. Furthermore, the penultimate paragraph states that the USAC will seek recovery from the "applicant" while the final paragraph advises that USAC will seek recovery from the "service provider". The two paragraphs on their face are contradictory and ambiguous. Based upon the foregoing the USAC should rescind and cancel the Demand Payment Letter.

2. Additionally, in the last paragraphs of each of the three Funding Disbursement Reports attached to the Demand Payment Letter issued to Horizon School on August 29, 2008, the USAC stated unequivocally that the "USAC will seek recovery of any disbursed funds from the applicant" (emphasis added). The USAC's position in the Demand Payment Letter is diametrically opposite the position it took in the August 29, 2008 letter and for that reason alone the Demand Payment Letter should be rescinded and canceled. A copy of that August 29, 2008 Demand Payment Letter is annexed hereto as Enclosure B.


If the USAC does not rescind and cancel the Demand Payment Letter by May 10, 2009, ICM will file its appeal of the Demand Payment Letter to the FCC.

If you have any further questions concerning this matter, please contact the undersigned or our Counsel, Gary Marcus of the law firm, Gary Marcus, Attorney at Law, P.C. 600 Old Country Road, Garden City, NY 11530. (516) 301-7776.

Thank you for giving this your immediate attention.

Very truly yours,

Independent Computer Maintenance, LLC

By 
Meir Weinraub, Vice President